

Message Text

LIMITED OFFICIAL USE

PAGE 01 RIO DE 03030 111452Z

55

ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 AGR-05 INT-05 /063 W

----- 086052

R 111353Z AUG 76

FM AMCONSUL RIO DE JANEIRO

TO SECSTATE WASHDC 4004

INFO AMEMBASSY BRASILIA

AMCONSUL SAO PAULO

LIMITED OFFICIAL USE RIO DE JANEIRO 3030

EO 11652: NA

TAGS: ECON BR

SUBJ: BRAZILIAN TRADE FIGURES

SUMMARY. PRELIMINARY FIGURES INDICATE THAT BRAZIL HAD A \$1.530 BILLION TRADE DEFICIT FOR THE FIRST SIX MONTHS OF 1976. THIS TOTAL IS \$317 MILLION LESS THAN LAST YEAR'S FIRST HALF DEFICIT. EXPORTS INCREASED 5.7 PERCENT TO 4.409 BILLION AND IMPORTS DECREASED 1.3 PERCENT TO 5.939 BILLION. PERCENTAGE VARIATIONS IN THIS MESSAGE REFER TO CHANGE IN VALUE FROM FIRST SIX MONTHS OF 1975. END SUMMARY.

1. EXPORTS. PRELIMINARY FIGURES RELEASED BY CACEX, THE GOB FOREIGN TRADE AGENCY, SHOW BRAZILIAN EXPORTS TO BE 4.409 BILLION DOLLARS FOR THE FIRST SIX MONTHS OF 1976. THIS TOTAL IS AN INCREASE OF 5.7 PERCENT OVER THE 1975 FIGURE OF 4.171 BILLION. EXPORTS FOR THE MONTH OF JUNE TOTALLED \$1.031 BILLION, THE LARGEST MONTHLY EXPORT TOTAL IN BRAZILIAN HISTORY.

2. BASIC PRODUCTS. THIS CATEGORY, WHICH ACCOUNTS FOR ABOUT 60 PERCENT OF BRAZILIAN EXPORTS BY VALUE, SHOWED A RISE OF 3.6 PERCENT TO \$2.487 BILLION. LARGE INCREASES IN COFFEE, SOY AND IRON ORE MORE THAN OFFSET A VERY SHARP DROP IN RAW SUGAR

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 RIO DE 03030 111452Z

EXPORTS. THE RESULTS FOR THE MORE IMPORTANT BASIC PRODUCTS WERE:

PRODUCT	AMOUNT EXPORTED (MILLIONS OF DOLLARS)	CHANGE FROM JAN-JUNE, 1975
---------	--	-------------------------------

COFFEE, GREEN	717	69 PERCENT
IRON ORE	490	23 PERCENT
SOYBEANS	383	43 PERCENT
SOYBEAN MEAL	304	58 PERCENT
COCOA BEANS	63	5 PERCENT
RAW SUGAR	62	-88 PERCENT

3. SEMI-MANUFACTURED PRODUCTS. THIS CLASSIFICATION INCLUDES CRYSTAL SUGAR, VEGETABLE OILS, SOME METALS AND WOODS AND ACCOUNTS FOR APPROX 10 PERCENT OF VALUE OF BRAZILIAN EXPORTS. DOLLAR FIGURES WERE DOWN 9.5 PERCENT TO \$412 MILLION FOR THE FIRST SIX MONTHS OF 1976 DUE TO A 93 PERCENT DROP IN CRYSTAL SUGAR REVENUES TO \$10 MILLION (1975: 159 MILLION). SOY OIL WAS UP 57 PERCENT TO \$77 MILLION.

4. MANUFACTURED GOODS NOW ACCOUNT FOR OVER 30 PERCENT OF BRAZILIAN EXPORTS. THIS CATEGORY SHOWED A 11.3 PERCENT INCREASE IN VALUE TO \$1.348 BILLION. RESULTS FOR SELECTED GOODS WERE:

PRODUCT	AMOUNT EXPORTED (MILLIONS OF DOLLARS)	CHANGE FROM JAN-JUNE 1975
---------	--	------------------------------

TRANSPORTATION		
EQUIPMENT	176	22 PERCENT
MACHINERY		
(NON-ELECTRIC)	124	9 "
ELECTRIC MACHINERY		
AND EQUIPMENT	95	9 "
FOOTWEAR	101	52 "
COFFEE, SOLUBLE	89	193 "
SUGAR, REFINED	51	-38 "
ORANGE CONCENTRATE	43	11 "

5. IMPORTS. IMPORT FIGURES HAVE NOT BEEN OFFICIALLY RELEASED. HOWEVER, NEWSPAPER REPORTS INDICATE THAT DOLLAR TOTALS ARE DOWN SLIGHTLY FROM THE FIRST SIX MONTHS OF 1975. FIRST HALF LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 RIO DE 03030 111452Z

1976 IMPORTS REPORTEDLY AMOUNT TO 5.939 BILLION, A 1.3 PERCENT DECLINE FROM 6.018 BILLION. PETROLEUM IMPORTS INCREASED BOTH IN VOLUME (8.5 PERCENT) AND IN VALUE (23 PERCENT). THE REPORTED 1.927 BILLION PETROLEUM IMPORT BILL ACCOUNTS FOR 32 PERCENT OF BRAZILIAN IMPORTS. OTHER IMPORTANT MACHINERY AND MATERIALS 1.531 BILLION, CHEMICAL PRODUCTS 670 MILLION, METALS AND MANUFACTURES 455 MILLION, TRANSPORTATION EQUIPMENT AND TRACTORS \$303 MILLION.

6. COMMENTS: FIRST SEMESTER EXPORT PERFORMANCE WAS STRONG. THE OUTLOOK FOR THE SECOND HALF IS PROMISING WITH COFFEE SALES AT THE SAME LEVEL OR SLIGHTLY HIGHER, CONTINUED STRONG EXPORTS OF MANUFACTURED GOODS, SUBSTANTIAL IMPROVEMENT IN SUGAR EXPORTS AND A POSSIBLE SLIGHT DECLINE IN SOY. IF NEWSPAPER IMPORT FIGURES ARE ACCURATE, BRAZIL'S TRADE DEFICIT FOR THE FIRST SIX MONTHS OF 1976 IS \$1.53 BILLION. EVEN IN JUNE WHEN EXPORTS WERE AT A RECORD LEVEL, THE TRADE BALANCE FOR THAT MONTH WAS IN DEFICIT. FIRST SEMESTER IMPORTS AVERAGED ALMOST \$1 BILLION A MONTH. THE CONTINUED HIGH IMPORT LEVELS THROUGHOUT THIS PERIOD (JUNE IMPORTS WERE REPORTEDLY \$1.069 BILLION) INDICATE THAT GOB IMPORT RESTRICTIONS HAVE NOT HAD AS GREAT AN EFFECT AS GOB OFFICIALS HAD HOPED.

7. EMBASSY CONCURS IN THIS MESSAGE.
DEXTER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE BALANCE, TRADE DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 11 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976RIODE03030
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760309-0498
From: RIO DE JANEIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760864/aaaacdxg.tel
Line Count: 132
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 14 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 JUL 2004 by CunninFX>; APPROVED <27 OCT 2004 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BRAZILIAN TRADE FIGURES SUMMARY. PRELIMINARY FIGURES INDICATE THAT BRAZIL HAD A \$1.530 BILLION TRADE DEFICIT FOR THE FIRST SIX MONTHS OF
TAGS: ECON, ETRD, BR
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006